

Press release

Stockholm November 7, 2012

Husqvarna Group plans cost structure improvements

Husqvarna Group plans measures to improve the Group's cost structure. The measures include layoffs in several countries, including Sweden.

The proposed measures include a reduction of approximately 600 employees, whereof almost half are in Sweden, mainly in Huskvarna.

"I regret that we have to reduce the number of employees. The proposed measures aim to improve efficiency, reduce the fixed cost base and further increase flexibility," says Hans Linnarson, President and CEO of the Husqvarna Group. He continues: "Even though we make reductions in Huskvarna, it will continue to be a very important unit to us."

Measures are planned to be implemented during the first six months of 2013 after negotiations with the respective unions. Cost savings will be achieved gradually and full annual effect of around SEK 220m will be reached during 2014. For 2013 cost savings are estimated at around SEK 160m. Costs for implementing these measures are estimated at approximately SEK 250m, which will be charged to the operating income for the fourth quarter of 2012.

In addition to the above, the Group will during 2013 also benefit from cost savings of around SEK 50m. The savings relate to measures under previously announced restructuring, including relocation of manufacturing from Sweden to Poland, which began in 2010.

For additional information, please contact

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Analyst conference

A telephone conference with President and CEO Hans Linnarson will be held at 10.00 am CET. Participants should call +44 (0)20 7162 0077 or +46 (0)8 5052 0110 (Sweden) to connect to the conference.

The above information has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was published at 08.45 on November 7, 2012.

Husqvarna Group

The Husqvarna Group is the world's largest producer of outdoor power products including chainsaws, trimmers, lawn mowers and garden tractors. The Group is also the European leader in consumer watering products and one of the world leaders in cutting equipment and diamond tools for the construction and stone industries. The product offering includes products for both consumers and professional users. The Group's products are sold via dealers and retailers in more than 100 countries. Net sales in 2011 amounted to SEK 30 billion, and the average number of employees was approximately 15,700.